CanCham Bangladesh

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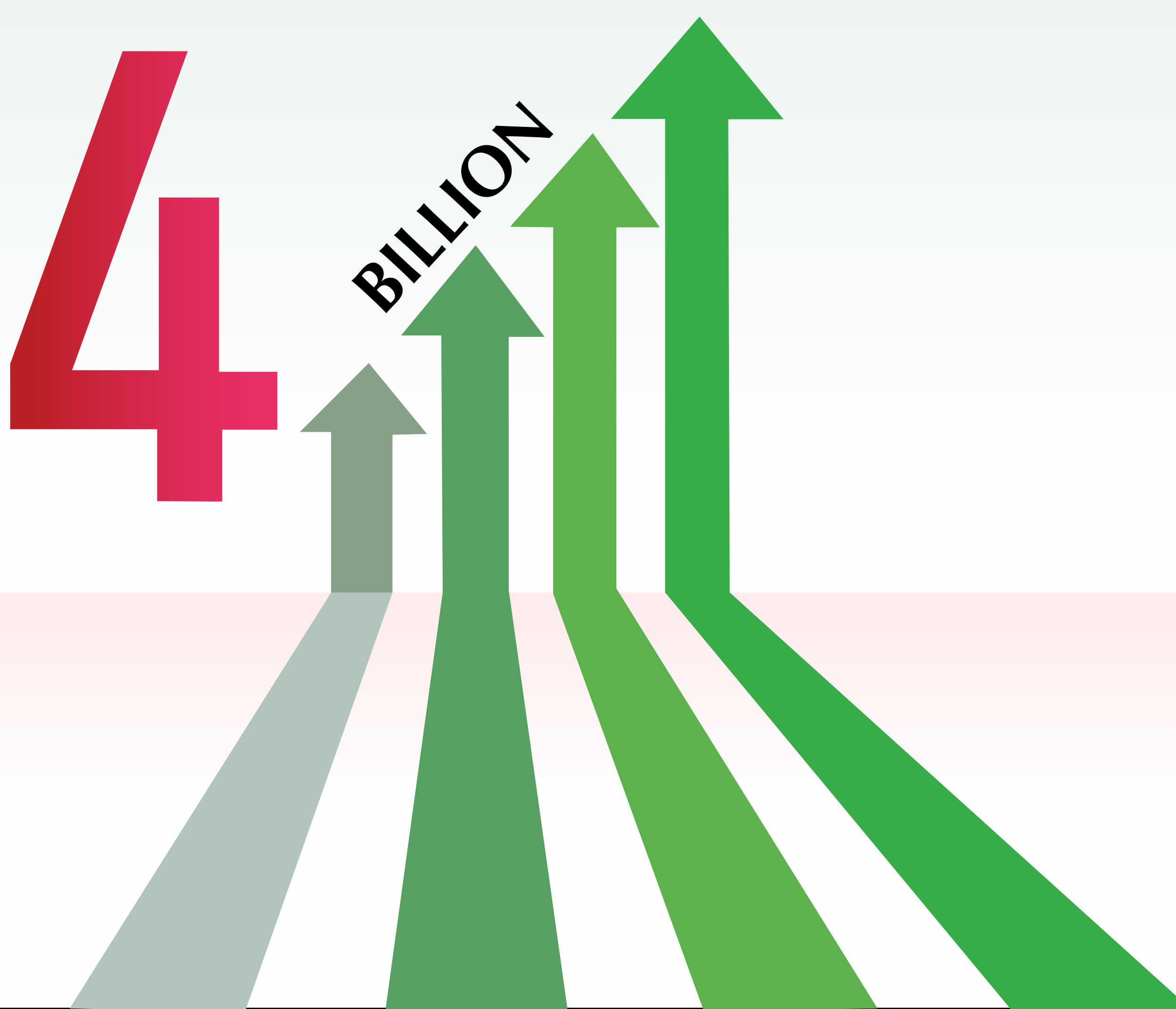
CANADA BANGLADESH BILATERAL TRADE CROSSED CAD $4 BILLION IN 2022

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CanCham Review is an in-house journal of news and views for management executives and members of CanCham Bangladesh. Views published in this journal are of the authors and not of CanCham Bangladesh.

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CanCham Bangladesh

PRESIDENT'S MESSAGE

Despite existing global challenges, investors are concentrating more on Asia Pacific region. This region is predicted to contribute about 70 per cent of global growth last year. and it may be much greater in subsequent years (IMF). Bangladesh is an important country in this region due to its strategic location, linking South and South-East Asia and being adjacent to India and China, the two big trade partners of Canada. With all these enabling conditions, it will be beneficial for both the countries if bilateral trade, investment and technological cooperation is deepened and expanded.

Canada-Bangladesh Bilateral Trade: Canada-Bangladesh bilateral trade reached US$ 3.23 billion (over CAD $4 billion) in 2022. Bangladesh's exports to Canada stood at US$ 2.02 billion and imports from Canada was US$ 1.21 billion and both way trade was US$3.23 billion. Despite spectacular increase in the value of bilateral trade, there is a lack of diversification in exports of both sides, about 91.92 per cent of the total exports of Bangladesh to Canada are concentrated on textiles and clothing and 95.7 per cent of its total imports from Canada are agro-products and fertilizer. Other major exports of Bangladesh include footwear, gaiters and headgear, articles of leather, animal gut, harness, travel goods and those of Canada are iron and steel, opticals and medical apparatus, etc.

Need for Diversification of Exports: There is apparently a good scope for diversification of exports and Canada- Bangladesh joint collaboration in a number of sectors, such as, food and fruit processing, clean technologies including renewable energy, education and skill development, information and communication technology (ICT), pharmaceuticals, leather goods, quality jute goods, plastic and sustainable plastic products. There are many other exportable products of Bangladesh like frozen food, porcelain & ceramic tableware and kitchenware. These products have high demand in Canada. Canadian investors have potentials to invest in these sectors in Bangladesh. Several flagship Canadian companies are active in readymade garments, aerospace, defense and security sectors, agro based, tannery and rubber products, chemical and engineering, printing and packaging and ICT services in the Bangladesh market.

Potentials of agro-processing: Bangladesh is mainly an agricultural country. It offers huge opportunity for agribusiness, agro-processing and associated machineries. The country has secured top positions in the global ranks for producing a number of items, such as, fish, rice, potato and mango. At present, Bangladesh exports 700 basic and processed products valued at around US$ 2 billion while the domestic agro-processing market is worth more than US$ 3 billion. After meeting domestic demand, local firms are processing a portion of the produce to export as it is expected to expand in coming years due to the rising income of the growing middle-class and rapid urbanization. At present, Bangladesh uses a wide range of agricultural products, including rice, wheat, spices, pulses, fruits, vegetables, to make food and beverages for the value-added processing industry. Since the country is blessed with tropical climate, year-round growing season, plentiful freshwater and fertile land it is endowed with abundant raw materials for the agro industry. There are also opportunities in horticulture due to the growing demand for fresh fruits and vegetables in the domestic market as well as in the export markets. Fruit production has seen a silent revolution due to success of commercial farming. Bangladesh is now one of the top 10 largest tropical fruit producing countries in the world, with growth of 11.5 per cent in fruit production on an average in the last 18 years (FAO). Especially remarkable is the growth of mango, papaya, guava, banana, pineapple, watermelon and jackfruit. Production of non-native fruits like strawberries, dragon fruit and malta(sweet orange) has also reached new heights. It is evident that agro-processing industry has high potentials of growth but lack of necessary modern technology hinders it. Transfer of technology from Canada which has efficient techniques to improve agricultural produce and process products has also great potentials. At present, fruit storage has become a big challenge. Multi-purpose fruit storage facilities are required throughout the country. It is also necessary to increase shelf-life of fruits. Technology for drying fruits like pineapple, mango and jackfruit are necessary so that they can be used domestically and export abroad.

Green energy: Both developing and developed countries are using environmentally polluting fuel and equipment, endangering environmental safety. The result is deteriorating environmental condition and climate change in the world including Bangladesh. With effective application of green technology, the condition can be improved. For constructing a carbon free nation, Canada has adopted highly ambitious climate change targets which includes a complete power sector decarbonization by 2035. It has developed huge renewable energy resources for generation of electricity. Bangladesh can avail benefits from transfer of technology of green energy from Canada and use more solar and wind energy in the days ahead.

Bangladesh has taken initiatives to set up 100 economic zones many of which have become operational and ready for investments. It has provided 100 per cent tax exemption for many sectors. Bangladesh needs Foreign Direct Investment and modern technology in the abovementioned sectors to develop its capacity to compete with the advanced developing countries in the global market after its graduation as a developing country by 2026. Canada can help strengthen trade and investment cooperation with Bangladesh for the benefit of both the countries.

I would like to thank all who have contributed articles for the review and also those of CanCham Bangladesh Secretariat who worked for the publication of the review.

Best Wishes for 2024.

Masud Rahman
President,
CanCham Bangladesh

CanCham Bangladesh celebrates 50 Years of bilateral relations between Canada and Bangladesh

Chief Guest, Dr. A.K. Abdul Momen, MP, Hon'ble Minister of Foreign Affairs, Government of Bangladesh (center), Special Guest H.E. Dr. Lilly Nicholls, High Commissioner of Canada to Bangladesh (left); and Masud Rahman, President, CanCham Bangladesh (right).

In order to celebrate 50 years of bilateral relations between Canada and Bangladesh, CanCham Bangladesh organized an event in November, 2022 at Dhaka. The main objectives of the event were to promote and further strengthen the bilateral relations between Canada and Bangladesh. Dr. A.K. Abdul Momen, MP, Hon'ble Minister of Foreign Affairs, Government of Bangladesh was the Chief Guest, H.E. Dr. Lilly Nicholls, High Commissioner of Canada to Bangladesh; H.E. Dr. Khalilur Rahman, High Commissioner of Bangladesh to Canada (virtually) and Md. Jashim Uddin, President, Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) & Co-Chair of Joint Working Group (JWG), Bangladesh side were present as Special Guests during the event. Diplomats, Business Leaders of Bangladesh, Directors and Members of CanCham Bangladesh also joined the event. Foreign Minister Dr. A.K. Abdul Momen said that Canada is a great friend of Bangladesh as the former supplied a lot of wheat in the early time of independence.

H.E. Lilly Nicholls, High Commissioner of Canada in Bangladesh said, "This is a very special time for both Canada and Bangladesh as Bangladesh is a key partner of Canada's Indo Pacific strategy." H.E. Dr. Khalilur Rahman, High Commissioner of Bangladesh to Canada, virtually present in the meeting stated, "Bangladesh is situated at a geographically advantageous position in close proximity to India and China, both key commercial partners for Canada." He also stated the need for exploring all the potential provinces of Canada to brand Bangladesh, for creating new business opportunities.

Masud Rahman, President CanCham Bangladesh, raised some important points for enhancing bilateral trade and investment between Canada and Bangladesh. He stressed that the government may sign bilateral free trade agreement with Canada to facilitate continuation of duty benefits for Bangladeshi exporters. He also suggested for granting a plot of 100 acres of land in Bangabandhu Special Economic Zone (SEZ) for establishing Canadian Industrial Zone.






Moments from the celebration of 50 Years of bilateral relations between Canada and Bangladesh organized by CanCham Bangladesh.

Canada-Bangladesh bilateral trade crossed CAD $4 billion

The bilateral trade between Canada and Bangladesh has been expanding and the value has increased over six folds since 2004. The value of bilateral trade has grown in the last decade from CAD $950 million in 2008 to CAD $3 billion in 2019. Due to Covid-19 pandemic, international trade witnessed a fall. However, as the world is recovering and the demand is increasing at a faster pace Canada-Bangladesh trade crossed CAD $4 billion (US$ 3.23b) in 2022. The value of Bangladesh's export to Canada was US $2.02 billion and import from Canada was US $1.21 billion.

The major portion of exports from Bangladesh to Canada (91.92 per cent) is textiles and clothing. Other exports are footwear, gaiters and headgear, articles of leather, animal gut, harness, travel goods, furniture and lighting signs. On the other hand, 95.7 per cent of the total import from Canada to Bangladesh is agro products like fertilizers, cereals, edible vegetables & tubers and oil seeds. Other items are iron and steel, opticals, technical, and medical apparatus, machinery and boilers. Bangladesh's top 10 exports to and imports from Canada are given in the table below:

Table: Bangladesh's Top 10 Exports to and Imports from Canada (2022)

In million US$

Exports				Imports			
Sl	Items	Value	% Share	Sl	Items	Value	% Share
1	Articles of apparel, not knit or crocheted	875.92	43.28	1	Fertilizers	502.70	41.50
2	Articles of apparel, knit or crocheted	862.82	42.63	2	Cereals	396.86	32.76
3	Other made textile articles, sets, worn clothing	121.45	6.00	3	Edible vegetables and certain roots and tubers	171.37	14.15
4	Footwear and gaiters	69.73	3.45	4	Oil seed, oleagic fruits, grain, seed, fruits	88.24	7.29
5	Headgear	37.67	1.86	5	Iron and steel	21.09	1.74
6	Articles of leather, animal gut, harness, travel good	13.47	0.67	6	Optical, photo, technical, medical apparatus	7.19	0.59
7	Optical, photo, technical, medical apparatus	6.59	0.33	7	Machinery and boilers	5.80	0.48
8	Fish, crustaceans, molluscs, aquatics invertebrates	5.45	0.27	8	Paper and paperboard, articles of pulp, paper and board	4.75	0.39
9	Furniture, lighting signs, prefabricated buildings	5.11	0.25	9	Albuminoids, modified starches, glues, enzymes	1.32	0.11
10	Cereal, flour, starch, milk preparations and products	3.59	0.18	10	Aluminum	1.28	0.11
11	Others	21.98	1.09	11	Others	10.64	0.88
12	Total	2024.78	100	12	Total	1211.24	100

It is evident from the above table that the export of both the countries are concentrated, textiles and clothing of Bangladesh and agriculture and related items of Canada. As such, diversification of exports is necessary. Both the governments of Canada and Bangladesh established a "Joint Working Group on Strengthening Commercial Relations" (JWG) between the two countries in December, 2021. The main purpose of the JWG was to study and give recommendations regarding diversification of exports and strengthening bilateral trade and investment cooperation. The JWG held several meetings, prepared research-based papers with necessary recommendations and submitted the same to both the governments. If implemented, these will open a new vista for diversification of exports and strengthen bilateral economic cooperation in the days ahead.

The areas of joint collaboration are food and fruit processing, clean technologies including renewable energy, education & skill development and information & communication technology (ICT). Some potential exports of Bangladesh are pharmaceuticals, leather goods, quality jute goods, plastic & sustainable plastic products, frozen food, porcelain & ceramic tableware and kitchenware.

NB: Prepared by CanCham Bangladesh Research Group.

Source: Trading Economics: United Nations COMTRADE database on international trade

Bangladesh is poised for a green future

Brian Taylor
Senior Editor,
Recycling Today Media Group

As the nation's basic materials sector grows, so will its trade in recycled raw materials and industry knowledge with North America

The impressive economic growth and development in Bangladesh is well documented and, rightly, has drawn increasing attention beyond South Asia. Historically, industrialization, urbanization and even increased household consumer prosperity have been linked to the less fortunate potential for environmental harm and degradation. The government of Bangladesh will need to continue to be on the lookout for this unfortunate side effect, but there also is some good news to be had concerning the timing of Bangladesh's emergence: the world is now much more adept at recycling and repurposing the discarded materials that are part and parcel of prosperity.

Recognition and a head start

Long before the phrase "circular economy" or even the word "recycling" was coined, metals producers were well aware of the best practice of remelting old metal objects to create new metal. In the 20th century, recycled metal-fed electric arc furnace (EAF) steelmaking began emerging as a business- and environmentally-friendly technique to convert obsolete iron and steel items into new steel. At the western end of Asia, Turkey made itself into a regional steel producing powerhouse by quickly adopting and investing in EAF technology. The nation consistently leads the world in its ability to import scrap metal from Europe and North America to produce comparatively green steel for itself and its neighbors. (Scrap materials are now also referred to as raw materials for recycling, or RMR.) Corporate leaders in Bangladesh seem to have studied this chapter in business history and are investing to put increasing amounts of EAF steelmaking capacity in Bangladesh. This technique is creating commercial opportunities for RMR buyers in Bangladesh and sellers in the United States and Canada.

In 2022, buyers in Bangladesh purchased more than 1.5 million tons of ferrous scrap from the United States alone. For those who may still consider scrap or RMR as worthless throwaways, it should be noted that those 1.5 million tons of RMR carried a combined US$667 million price tag, according to the U.S. Commerce Department. In the steel sector, Bangladesh already is producing abundant green steel to supply the nation's dynamic and growing industrial sector and its rapidly improving infrastructure. According to Can Cham Bangladesh, there are now about 400 steel and re-rolling mills in Bangladesh, with more on the way. A combination of market forces and the potential for appropriate policy guidance could mean the green steel sector is just a start in how Bangladesh can convert raw materials for recycling into key fuel for its economic engine.

Recycling the visible and the invisible

The opportunities for Bangladesh and nations including Canada to continue to interact and trade in recycling-related aspects are numerous, with some being highly visible and others occurring more behind the scenes. As in steelmaking, numerous other items used and needed daily in Bangladesh can be or already are made with recycled raw materials. Those items range from the humble cardboard box (made with recycled-content containerboard at a 50 percent rate globally) to the copper wiring found both in buildings and the electronic goods within them. In the global recycling sector, still-developing nations such as Bangladesh are often referred to as "scrap deficit" nations, while nations with developed economies, including Canada, are in most cases said to be in a scrap-surplus situation. This likely will lead to eager recycled raw materials buyers in Bangladesh turning to Canada and the U.S. for not only steel scrap, but also aluminum, copper, brass and cardboard as companies in Bangladesh invest to make their own boxes, brass pipes or aluminum window frames.

As Bangladesh has grown from, initially, a textiles powerhouse to a provider of additional manufacturing services, its government recognized that massive infrastructure projects were a necessary first step to help the nation's economy keep evolving. Recent projects such as the metro rail system in Dhaka, the lengthy transportation tunnel in Chittagong and the 41-span 3.8-mile-long combined highway and rail Padma Bridge called for a steady stream of steel bars and beams. Now, the cars and trucks that will follow, along with the apartment and office buildings rising in these growing cities, will call not only for steel, but for aluminum and red metals needed in post-infrastructure applications.

Green steel may have been the early beneficiary of Bangladesh's economic fast track, but recycled-content aluminum, copper and containerboard all are likely to attract investment funding in this decade and the next. One additional sign of prosperity is one often deemed less attractive: more single-use, discarded plastic, used in packaging, food service items and other applications. Around the world, plastic has gone largely unrecycled for decades. It could be Bangladesh's good fortune that its economy is making its strides at the same time nations and companies globally are uniting to make plastic more circular.

Plastic: We have the technology

A combination of factors make plastic more difficult to recycle effectively (compared with metal or paper), but it has long been a misnomer to call it "unrecyclable." The processes required to collect, sort and reprocess plastic to make it circular have long existed. The responsibility, effort and money required to carry out these processes, however, has long been a "hot potato" that neither governments nor corporations have wanted to possess. These numerous difficulties aside, people around the world have made it clear to governments and corporations alike that it is time to act. Lifting the world's plastic recycling rate from its current estimated 10 percent will take time and considerable expenditures. There are efforts already underway in Bangladesh so that it can begin playing its part.

Earlier this year, consumer products giant Unilever signed a memorandum of understanding

(MoU) with the Chattogram City Corporation and a social enterprise. The MoU was designed to address plastic circularity in that Bangladesh city. The collection of discarded plastic within Bangladesh is an effort that will require commitment from people and companies within its own borders. Although it is possible Bangladesh could become a destination that helps make circular plastic with traded materials from throughout the world, the first priority lies with handling its own plastic scrap.

But this too can yield trading opportunities for Canada and other nations where technology providers have for many years been developing sensors, sorters, size reduction and extruding equipment. These types of machines all play a role in turning the world's plastic discards into recycled-content polymers. As its economy continues to evolve, there is little doubt that RMR (raw materials for recycling) can and will play a growing role in the future of Bangladesh. For entities such as CanCham Bangladesh and its members, the opportunities are abundant! This means not only trading in raw materials for recycling (though this alone is a considerable opportunity), but also exchanging ideas, technology and the sometimes sophisticated, specialized machinery that powers the circular economy around the world.

(The author, who covers global recycled raw materials markets, is a senior editor with the United States-based Recycling Today Media Group, www.RecyclingToday.com)

Life of an Illustrious Industrialist and a Friend of Canada, Mr. Fazlur Rahman, Chairman of City Group (a concern of which is a valued member of CanCham Bangladesh).

An Illustrious industrialist and a Friend of Canada, Mr. Fazlur Rahman, Chairman of City Group (77) breathed his last on 25th December, 2023 (Inna lillahi wa inni ilaihe rajiun). A concern of City Group is a valued member of Canada Bangladesh Chamber of Chamber of Commerce and Industry (Can Cham Bangladesh). The recent passing of Fazlur Rahman, the founder of City Group, has left a profound void in the hearts of many who are mourning the loss of an iconic entrepreneur and industrialist. With his courage, determination and vision, he guided City Group through uncharted territories and propelled them to greatness.

We happily remember that Fazlur Rahman, was awarded at an event, titled" Presentation of Special Award" Ceremony, organized by CanCham Bangladesh, jointly with the Canadian High Commission in Dhaka in 2010. He also received an award, as "Canada's most preferred business partner from Bangladesh", in an event titled "Canada Business Awards 2012: A symbolic journey towards development", organized by CanCham Bangladesh in association with Canadian High Commission in Dhaka,

His journey from humble beginnings to steering City Group into becoming one of the largest conglomerates of the country is a reality due to his honesty, hard work, dedication and love for the common people. An indefatigable visionary, he built an empire of a number of companies, including Edible Oil, Flour, Sugar, Salt, Poultry Feed, Rice Milling, Bakery and Confectionery, Packaging, Energy, LPG, Tea Garden, Electronic Media & Hospital. His strong business acumen and diligence led creation of country's biggest

FMCG brand "TEER" which received domestic and international awards. His contribution to the national economy will remain written in golden letters in the history of entrepreneurship of Bangladesh. The generous contribution of City Group to CanCham Bangladesh will also be ever-remembered.

Hon'ble Prime Minister, Ministers, Advisor to the HPM, Business leaders, Top executives of the Bank, eminent personalities and political leaders expressed their condolence. Hon'ble Minister of Commerce, Tipu Munshi stated that the people of Bangladesh will remember his contribution to the development of Bangladesh's Industry and Commerce for which he worked tirelessly throughout his life. He worked as a pioneer to build an industrially rich Bangladesh, while being uncompromising in maintaining the quality of products of his companies with utmost honesty and sincerity. He was trusted by his suppliers and banks which extended all possible assistance to him for investment at the time of dire need.

The Journey of his business life began when he, at the age of 11, was forced to start a grocery shop in Gandaria of Old Dhaka with only Tk.42 as capital, in order to take the responsibility of his family as his father was ailing. As he was parsimonious and a man with vision, through years of struggle and savings, he was able to establish ' City Oil Mills' with a capital of Tk. 55,000 in February 6, 1972. Eventually now , the empire of his Group consists of forty concerns, three Economic Zones and one High-tech Park.

This journey was full of ups and downs. The massive flood of 1988 devastated his valuable inventories and threatened to close his industry. However, with his determination and hard work and assistance from financiers, helped him to recover and forge ahead. He had foreseen that growing population, urbanization, changing life styles and increasing quality consciousness of consumers would make the food sector lucrative. He realized that quality production would be main element for success in the food sector. In 1995, the transformation of City Group started in full swing, when the company began production of "Teer" brand flour and refined flour . He brought 'state of the art' European machinery and used the best quality raw materials to give all of his brand products an edge over other such products of competitors. Eventually, his products became a representation of quality and commitment to millions of consumers which made him a successful industrialist of Bangladesh. People will remember his contribution to the industrial as well as economic development of Bangladesh and he will remain as an inspiration for the future entrepreneurs of Bangladesh.

An iconic leader who will inspire the generations to come.

Bangladesh needs to diversify its export markets and step-up investment, says new report (UNCTAD)

The report outlines pathways to transforming the South Asian economy through diversification and innovation.

After several decades of sustained progress, Bangladesh is looking to step up its economic model to ensure sustainable and smooth graduation from the least developed country (LDC) status – with support from UNCTAD and its global partners. The joint report entitled "Production Transformation Policy Review (PTPR) of Bangladesh", launched on 12 September, explores ways to support the nation's aspiration to exit the LDC category in 2026 and become a high-income nation through industrialisation by 2041. It also highlights the country's assets, including its strategic geo-location and the government's commitment to diversifying the economy. The report launched in the country's capital Dhaka comes after a 20-month consultative process between the Bangladeshi government and the Organisation for Economic Co-operation and Development through the PTPR tool, which advises governments on strengthening their economies in response to major global trends. UNCTAD and the European Union also supported in-depth policy review and consensus building for the PRPR of Bangladesh.

"Bangladesh has a vision of what it aspires to be - an economically developed, socially inclusive and environmentally sustainable high-income economy," said UNCTAD Deputy Secretary-General Pedro Manuel Moreno in his message for the report launch. "We stand ready to support the country on this journey and are convinced that Bangladesh has the vision and determination to achieve its goals."

Five decades of development strides

Bangladesh has achieved impressive progress since its independence in 1971, the report notes. The country has shifted from an economy marked by extreme poverty and famine to the third global manufacturing powerhouse for ready-made garments – just after Vietnam and India. Manufacturing plays a central role in Bangladesh's economy. Between 2000 and 2022, value added from the sector almost doubled as a share of GDP, up from 11% to 22%. The ready-made garment industry is pivotal for trade, with 20 products accounting for 84% of total domestic exports. Bangladesh has also nurtured domestic industrial capabilities in emerging, more technologically advanced sectors, including electronics and pharmaceuticals. Today, it's the only LDC involved in pharmaceuticals and medicines' manufacturing. Domestic production meets 98% of the country's needs.

Urgent need for economic diversification and resilience

To sustain growth, the report underscores that Bangladesh needs to continue diversifying its production structure and exports, tackle its vulnerability to natural disasters and reduce its exposure to fluctuations in global commodity markets. To keep up momentum for LDC graduation, the country needs an updated domestic policy approach to complying with international rules applied to developing countries. It can benefit from a revamping of international partnerships to shore up development efforts, including by fostering a more effective business dialogue, as well as bridging gaps in physical and

digital infrastructure. Additionally, it's important to continue leveraging digital technologies in business, and update the regulatory framework, including the amendments of the 2018 Digital Security Act. A change in the approach from international partners is also essential. They need to engage with Bangladesh beyond areas such as responsible business conduct and infrastructure development, to new forms of partnerships that ensure inclusive and sustainable development, as well as support the greening of Bangladesh's industries and energy mix.

Three priority areas

Based on a comprehensive diagnosis, including in-depth analysis of Bangladesh pharmaceutical and electronics sectors, the review identifies three priorities for reforms:

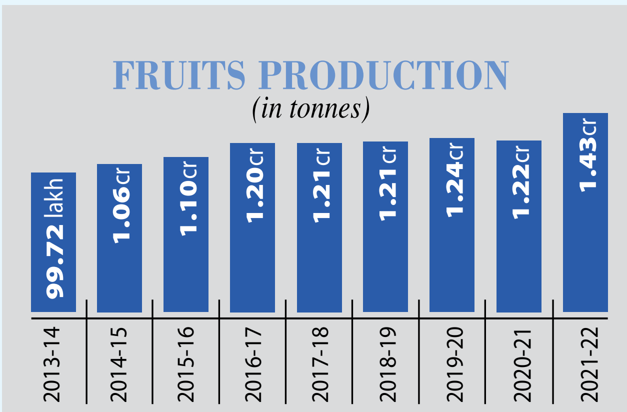
Firstly, it calls for future-readying the country's economy. This requires stepping up domestic resource mobilisation, as well as the necessary institutional and administrative capacities.

Secondly, it encourages a gradual shift in the mindset of doing business, from a price-led competitiveness model to an innovation-driven one. This would entail investing more in innovation and technological upgrading, where foreign direct investment can be a key catalyst.

Last but not the least, the report calls on Bangladesh to modernise its policy approach, moving from focusing on market access and tariff management, to more modern policy tools capable of adequately incentivising innovation and fully harnessing the country's market potential and strategic geographical location.

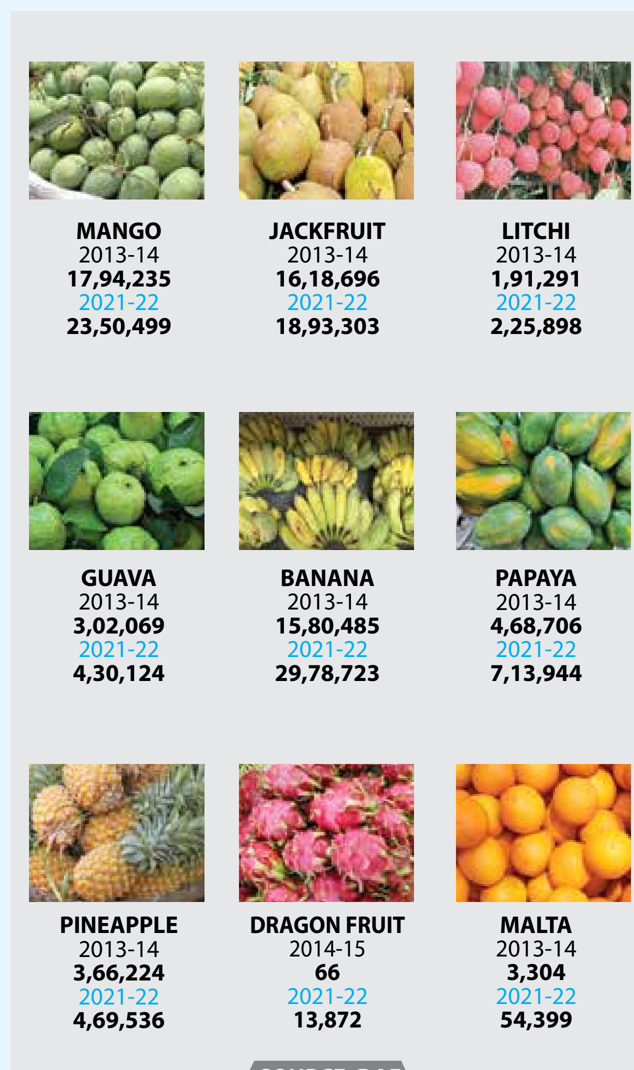
Source: Website Article, UNCTAD, 12 September, 2023

Fruit Production: A silent revolution waged by farmers



There was a time when people grew orchards or fruit trees in homesteads primarily for their own consumption. But things have massively changed as farmers are turning to fruit production for its commercial viability. Over the past two decades, fruit production in the country has seen a silent revolution due to the success of commercial farming. Bangladesh is now among the ten largest tropical fruit-producing countries in the world and has been maintaining an 11.5 percent growth in fruit production on average for the past 18 years, according to the Food and Agriculture Organization (FAO) of the United Nations. The sustained growth despite the limited availability of land has led to an average increase of per capita fruit intake to 85 grams in 2018 from 55 grams in 2006 for a massive population which now stands at around 170 million.

Commercial production of local fruits has increased substantially between 2013-14 and 2021-22. Especially remarkable in this period is the growth in mango, papaya, guava, banana and watermelon production. Production of mango has hit its highest mark this year since the country's independence, say officials of Department of Agricultural Extension. The country now holds the second position in annual jackfruit production, seventh in mango and eighth in guava production in the world, according to latest FAO estimates. Besides, java plum (jaam), litchi, jujube, star fruit (kamranga), wood apple, lemon, pineapple, lotkon (Burmese grape), custard apple and sapodilla (safeda) are also included on the list of fruits being farmed on large scales. Production of non-native fruits has also reached new heights to meet growing demands for strawberry, dragon fruit and malta. "A silent revolution has taken place in fruit production.



New areas like the Chattogram Hill Tracts have been included in commercial fruit production. We are even exporting fruits now. Foreign fruits like strawberry, rambutan and dragon fruit are also showing good prospects," Agriculture Minister Muhammad Abdur Razzaque told The Daily Star.

In addition to a gradual change in food habit towards a healthy diet, people's purchasing capacity has increased, according to agricultural experts. These factors have led to an increase in the demand for fruits, which explains why more and more farmers are showing an interest in fruit production, they say. "Since rice as a staple food is not as profitable as it was, a large number of farmers have turned to fruit production. The farmers are using every conceivable space for cultivating fruits," said Sattar Mandal, former vice chancellor of Bangladesh Agriculture University.

Soil condition is also favourable for the cultivation of foreign fruits like malta, strawberry and dragon fruits, he said. Even a decade ago, most of the local fruits were available for only three months during the hot and humid summer. People eagerly waited for May, June, and July when mango, litchi, jackfruit and the other tropical fruits would appear in markets. The scene has changed, however. Several fruits are found year-round. "Fruits are not only available for three months now. We can have guava, banana, papaya and some other fruits round the year. Besides, due to the introduction of early and late varieties of mango, we are trying to create an opportunity to have the popular fruit throughout the year," said Mehedi Masood, the Project Director of the Year-Round Fruit Production for Nutrition Improvement Project. The goal of the project is to make fruits available round the year and meet the nutrition demand of the population, Masood told The Daily Star, adding that the DAE has been implementing it since 2014-15. He said that progress has been made in increasing per capita fruit consumption. "But there is still a long way to go in attaining the ideal consumption of 250 grams of fruit daily for adults," he said. Since the inception of the project, over 1.77 lakh farmers have been given training in fruit cultivation through the horticulture centres, DAE officials said. Besides, over 47 lakh fruit trees were planted across the country during this period. According to the DAE, in the 2006-07 fiscal year, fruits were cultivated on 4.74 lakh hectares of land and the yield was 87.86 lakh tonnes. In 2021-22 FY, agricultural land for fruit farming has jumped to 7.34 lakh hectares and fruit production to 1.43 crore tonnes. "Due to changes in weather patterns, we are having longer spells of summer. The change is conducive to growing more tropical fruits round the year," said Mandal. The agricultural minister, however, said that fruit storage is still a big challenge and that's why the government is focusing on setting up multipurpose cold storage facilities across the country under a project called Programme on Agricultural and Rural Transformation for Nutrition, Entrepreneurship, and Resilience in Bangladesh (PARTNER). "We are also encouraging scientists to find out the way how the shelf life of the fruits can be expanded," said the minister. Meanwhile, Masood said that they have taken an initiative for dried jackfruit, mango and pineapple so that those can be consumed later. According to the agriculture ministry, the number of fruit varieties cultivated in Bangladesh has increased from 56 a decade ago to 72 now.

Source: The Daily Star, 2 July, 2023

Cheap labour, big young population bounties for investment in Bangladesh

Pricewaterhouse Coopers says, Bangladesh paving ways for Sustained Economy Growth.

Bangladesh is becoming an attractive destination for foreign investment for its steady economic growth, growing young population with cheaper labour market, incentives for FDI and increasing domestic consumption, says an expert evaluation report. PricewaterhouseCoopers Bangladesh Private Limited released Tuesday its report titled 'Destination Bangladesh' that says the gateways of doing business in Bangladesh are expanding every day with determined government efforts, including the establishment of diplomatic ties and bilateral agreements. These prospects and actions are paving the way for sustained economic growth in the country, now on the trajectory of graduation to higher status, notes PwC Bangladesh, a leading professional service firm in the area of technology consulting, tax consulting, and a wide range of advisory services.

The report mentions the country's economy grew at a robust 6-8 per cent annually during the 2015-2019 period to substantiate the note of optimism. "Supported by a demographic dividend, Bangladesh has thrived on readymade garment (RMG) exports, remittances and favourable macroeconomic conditions." Also, it notes that the country bounced back to the pre-pandemic growth trajectory in 2021 with 6.9- percent GDP growth--the highest in South Asia. In a comparative study on the labour market, the report says the minimum monthly wage for workers in the apparel-manufacturing sector in Bangladesh is 74 per cent and 35 per cent less than the minimum wages in China and India respectively which makes the country an attractive destination for FDI. "This continues to provide a substantial manufacturing-cost advantage as compared to its regional peers," it says. Over the past decade, the country has witnessed a sharp rise in the working-age population due to the 'demographic dividend'.

According to the report, Bangladesh's attractiveness as an outsourcing destination for services (following in the paths of India and the Philippines) continues to grow due to its capable working-age population. "It is demonstrated in its improved ranking by two places to 35th in AT Kearney's Global Services Location Index 2021. Bangladesh is looking to create over 200,000 direct and 50,000 indirect jobs and earn USD 5 billion a year in the next decade through outsourcing." To attract foreign investors in the energy sector, the government has implemented various incentives. These incentives include tax exemptions on royalties, interest paid on foreign loans, and capital gains of foreign investors. "Foreign investors also enjoy exemptions from double taxation based on bilateral agreements. Furthermore, expatriate personnel employed in approved industries are granted tax payment exemptions for up to three years. Relaxations on work permit issuance for project-related foreign nationals and employees have also been implemented. Facilities for the repatriation of invested capital, profits, and dividends are provided to foreign investors." In a move to digitize government services and make them more accessible, the report says, the government is working to streamline the investment process. "The introduction of e-TINs has simplified the tax payment procedure, enhancing efficiency and transparency."

Bangladesh's graduation to middle-income status will result in the loss of existing preferential trade benefits. "However, the government is proactively engaging in bilateral trade agreements with major trading partners, such as Japan, to expedite Free Trade Agreement negotiations. These efforts are expected to yield positive economic impacts in the coming years." The agency, however, has found Bangladesh struggling to bring foreign direct investment (FDI) into the country in comparison to its peers. "FDI inflow into Bangladesh was the lowest for Bangladesh that constituted only 0.41 per cent of GDP, while Vietnam received the largest FDI of 4.6 per cent of GDP," it says on the flipside of trade and economy.

In order to sustain the projected prolonged economic-growth rate, the report suggests, Bangladesh needs to improve trade competitiveness, streamline urbanization processes and address financial sector vulnerabilities." Trade agreements covering tariff modernisation, increased trade facilitation, and services with the European Union (EU) and India can boost Bangladesh's GDP by 0.4 per cent and investment reforms by 0.5 per cent. "The Destination Bangladesh report recommends that the capital market should be leveraged to achieve this aim. It said the investments from the capital market are equipped with the potential to address this gap of financing in cottage, micro, small and medium enterprises (CMSME) and businesses that will be better off with long-term equity investments rather than traditional debt investments. The PwC Bangladesh flagship report, 'Destination Bangladesh', contains an analysis of Bangladesh as an investment destination. It covers areas such as entering the Bangladesh market, funding opportunities and incentives to draw foreign investments, regulations, tax incentives and steps needed to operate business.

Source: The Financial Express, 21 June, 2023

Bangladesh has huge potential in agro-processing

Experts tell Bangladesh Business Summit

Bangladesh offers huge opportunity for agribusiness and agro-processing thanks to the farmers' hard work, which has enabled the country to secure top positions in the global ranks for producing a number of items, namely fish, rice, potato and mango, industry operators and analysts said today. The nation currently bags around 7 crore tonnes of agricultural products, a majority of which are rice and potato while fruits, vegetables and spices make up about 17 per cent.

Local firms process a portion of the produce for export and the domestic market, which is expected to expand in coming years owing to the rising income of the growing middle-class and urbanisation. "The potential for agribusiness is tremendous," said Ahsan Khan Chowdhury, chairman and CEO of Pran-RFL Group, the country's largest agro-processor, at the Bangladesh Business Summit. There are business opportunities in agro-processing, marketing and distribution, he said at the ongoing three-day event organised by the Federation of Bangladesh Chambers of Commerce and Industry at the Bangabandhu International Conference Centre in Dhaka. Chowdhury said Bangladesh exports 700 basic and processed products valued at around $2 billion while the domestic agro-processing market is worth more than $3 billion. Besides, Bangladesh's food market is expected to amount to 54 billion kilogrammes by 2027, he added. Globally, there is huge opportunity for Bangladesh being an agricultural country.

The Pran-RFL chief said the agriculture market was $12,245 billion in 2022. It is projected to reach $19,007 billion with a compound annual growth rate of 9.1 per cent by 2027. The country has abundant raw materials for the agri-business industry due to its tropical climate, year-round growing season, plentiful freshwaters and fertile land, he added. Chowdhury then said Bangladesh has already attracted global companies, such as Nestle, Arla and Unilever, while a number of local companies are expanding their footprints. The total market size for agricultural products is $47.54 billion. There are also opportunities in horticulture thanks to the growing demand for fresh fruits and vegetables in domestic and export markets. "There are businesses prospects in grains and pulses, poultry, dairy and fisheries here too," Chowdhury said. Robert Simpson, country representative of the Food and Agriculture Organisation, said Bangladesh has become a food surplus country from a food deficit country. "The production of high value crops is growing and agribusiness is poised to continue to be a growth industry," he added.

FH Ansarey, managing director of the ACI Agribusiness division of ACI Group, said new varieties of fruits and vegetables, including tomato, mango, pineapple, guava, dragon fruit, watermelon, strawberries and jackfruit, are available year-round to meet industrial demand. For the value-added processing industry, the country uses a wide range of agricultural products, including rice, wheat, spices, pulses, fruits, vegetable, to make food and beverages. "Another potential agri-linkage industry is the retail chain," Ansarey said. At present, Bangladesh's retail market penetration is about 2 per cent with the total market valued at more than $16 billion. Out of this, 30 per cent is agri-products. "There are opportunities in developing the capacity of molecular research and applied research in the crop and animal sectors," he added. Ansarey went on to say that the seed market in Bangladesh is worth over $700 million and registers 10 per cent growth annually. Meanwhile, the crop protection market, which comprises pesticides and other related accessories, is recorded at $550 million with 12 per cent growth while that of agri-machineries is $1.2 million with 15 per cent growth. Besides, the animal health market, including nutrition and supplement, is worth more than $750 million and registers 10 per cent growth, he said, adding that the value of the animal feed market is over $4 billion and is growing by 8 per cent annually. Pierre Failler, a professor of economics at the University of Portsmouth, UK, said Bangladesh has potential in seaweed cultivation.

Agriculture Minister Muhammad Abdur Razzaque said the government provides various fiscal and export incentives to encourage investment in agri-business and agro-processing. For example, it provides 20 per cent incentive for exporting agricultural products. He said there were once allegations that Bangladesh suffers from infrastructural shortages for attracting investment. "But we have developed the required infrastructure. Also, we have laid the foundation for accelerated growth and prosperity in Bangladesh," Razzaque added.

Source: The Daily Star, 17 June, 2023

Ontario and Manitoba, four additional provinces, set to increase minimum wage rates in October 2024

On October 1 this year, six of ten provinces across Canada will raise regional minimum wage rates.

At the beginning of this month, Canada's federal minimum wage rose from $15.55 to $16.65. This move was impactful, as Employment and Social Development Canada (ESDC) noted at the time, because "around 26,000 working Canadians earn less than $15.55 per hour."

Coinciding with that minimum wage increase on a federal level, Canadians in more than half of the country's provinces will soon see their minimum wage rates increase at a regional level. More specifically, the anticipated October 1 minimum wage increases will be as follows:
Saskatchewan: Up to $14.00 from $13.00
Nova Scotia: Up to $15.00 from $14.50
Newfoundland and Labrador: Up to $15.00 from $14.50
Prince Edward Island (PEI): Up to $15.00 from $14.50
Note: Saskatchewan has already indicated that they will once again raise their federal minimum wage in October 2024, from $14.00 to $15.00 per hour

What these changes mean for new Canadian immigrants

According to Craig Pickthorne, communications coordinator at the Ontario Living Wage Network, "immigrants" are one of three groups – alongside "equity-seeking groups" and "women" – who "overwhelmingly" find themselves near "the bottom scale of the wage spectrum." Therefore, particularly because the federal minimum wage increase from earlier this month affects only employees in federally regulated occupations, the news of increasing regional minimum wage rates will benefit a significant number of recent Canadian newcomers. In fact, the following table presents the number of new permanent residents that landed in each Canadian province last year. For a significant portion of the recent immigrants in the six provinces receiving minimum wage increases in October, the move will be a welcome boost to their earning potential. Subsequently, this move can be expected to aid them in establishing more comfortable lives in their new home.

Province/Territory	2022 PRs	% of all PRs	% change from 2021
Newfoundland and Labrador	3,490	0.7%	+0.2%
Prince Edward Island	2,665	0.6%	-
Nova Scotia	12,650	2.8%	+0.6%
New Brunswick	10,205	2.3%	+1%
Quebec	68,685	15.7%	+3.4%
Ontario	184,725	42.2%	-6.7%
Manitoba	21,645	4.9%	+0.8%
Saskatchewan	21,635	4.9%	+2.2%
Alberta	49,460	11.3%	+1.4%
British Columbia	61,215	14%	-3.1%
Yukon	455	0.1%	-
Northwest Territories	235	0.0%	-0.1%
Nunavut	45	0.0%	-
Province not stated	20	0.0%	-0.1%
Canada total	437,120	100%	-

Canadian newcomers are protected by universal labour laws

While Canadian immigrants are typically overrepresented in low-wage occupations, it is vital to understand that they are still afforded the same rights and protections as all other workers in this country. Canada's Labour Code outlines that permanent residents, citizens, temporary foreign workers, international students and all other employed persons are entitled to perform their job in a safe environment and be compensated for their work. Additionally, employers across Canada are required to provide employees, including newcomers, with job training, "reasonable" healthcare services, information pertaining to their rights and a signed copy of their employment agreement.

Note: An employment agreement must outline details including, but not limited to, the rate of compensation and terms of any applicable overtime work. This agreement must be provided to employees on or before their first day of work.

Similarly, Canadian employers must ensure they do not mistreat employees in any of the following ways, including:

- Forcing employees to perform unsafe work or work that is not outlined in their employment agreement
- Forcing sick/injured employees to work
- Forcing overtime work on employees who do not have such conditions in their employment agreement
- Taking away an employee's passport/work permit
- Altering an employee's immigration status or threatening them with deportation

Reporting employer misconduct

Fear of consequences such as job loss may prevent Canadian employees, and especially immigrants, from reporting workplace misconduct. However, it is important for all Canadians to understand that provincial and territorial workplace health and safety offices exist across the country to help with the reporting of these issues.

In Ontario, for example, the destination province for most Canadian immigrants, urgent and immediate concerns can be reported to the Health and Safety Contact Centre by phone. A more complete list of workplace health and safety offices across Canada can be found here.

Source: CIC News, 30 April, 2023

Study: Immigrant women closing the human capital gender gap

The study, Accumulation of Human Capital in Canada, 1970 to 2020: An Analysis by Gender and the Role of Immigration, defines human capital as an individual's knowledge and skills that come from education, training, and experience, measured as the present value of future earnings. It says that human capital is the most important component of total wealth. For example, a person's human capital is their present earnings and what they can expect to earn until they retire. The government calculates this using data from the census, labour force surveys, life expectancy and mortality rates. If a person makes a large investment in their education or somehow gains work experience that adds significant value to their career, their level of human capital would rise with their new expected earnings.

Immigrants and human capital in Canada

Canadian immigrants of both genders were found to have lower average human capital than those who are Canadian-born. Still, the study shows that immigrants have dramatically increased their contributions to average human capital growth in Canada. This is in large part because Canada has been increasing the number of immigrants. In 1970, Canada welcomed 147,700 immigrants. By the end of 2019, this number climbed to 341,000 and it is expected that by the end of 2025, Canada will hit its target of welcoming 500,000 new permanent residents each year. Immigrant women and men have both increased their human capital growth over time. After 1995, immigrants accounted for about 40% of the overall growth in human capital in Canada. The study attributes 56% of that growth to immigrant men and 44% to immigrant women. Before 1995, immigrants accounted for about 18% of Canada's total human capital growth. Between 1995 to 2020, the number of immigrants in the working-age population rose from 19% to 25%, and the growth in the average human capital of immigrants exceeded that of the Canadian-born population (0.88% per year for immigrants vs. 0.62% per year for the Canadian-born population). Immigrants now make up nearly a quarter of Canada's total population and are responsible for almost 100% of its labour force growth and 75% of its economic growth.

Gender gap between immigrant and Canadian women

The share of total human capital accounted for by women rose from 30% in 1970 to 41% in 2020. The increase in that share was much faster up to 1995 because of the high number of women joining Canada's labour force. From 1970 to 1995, the share of human capital of women rose from 30% to 39%. From 1995 to 2020, the share increased modestly from 39% to 41%. Even though the gender gap (human capital of women relative to that of men) has shrunk over time, it was found to still be prominent between immigrant women and Canadian-born women. In 1970, immigrant women had roughly 31% of the human capital of immigrant men while Canadian-born women had 36% human capital as Canadian-born men. Between 1970 and 2020, the gender gap narrowed at a similar pace for both immigrant and Canadian women (66% and 71%, respectively, in 2020).

The study found that gender gaps among immigrants existed for almost all age groups and education levels, particularly for immigrant women with a high school education or below. The study notes an increase in total wealth per capita arising from more female participation in the labour force, a higher education level for women or a raise in women's earnings, signals a high level of future income for a nation. The study concludes that there should be policies that increase the labour force participation, earnings and hours worked of women now to increase the human capital and the income of women in the future.

Source: CIC News, 29 April, 2023

Minister Ng launches first Team Canada Trade Mission to the Indo Pacific

Last year, Canada launched its Indo-Pacific Strategy, prioritizing growing our economic ties and business relationships. This week the Honourable Mary Ng, Minister of International Trade, Export Promotion, Small Business and Economic Development, led the first Team Canada Trade mission to Singapore, with over 175 businesses in attendance. Team Canada trade missions are a key part of Canada's Indo-Pacific Strategy, and will create strong and sustainable business ties for businesses on both sides of the Pacific. As part of this Team Canada Trade Mission, Minister Ng also met with the Quebec Minister of International Relations and Francophonie, Martine Biron, to discuss the coordinated expansion and strengthening of Canada's presence on the ground in the Indo-Pacific Region.

While in Singapore, Minister Ng attended both the Canada in Asia conference and the Asian Business Leaders Advisory Council (ABLAC), which brought together businesses, investors, thought leaders, Canadian alumni, and post-secondary institutions. While in attendance, Minister Ng highlighted Canada's important international education ties with a range of Indo-Pacific partners. At a meeting with representatives from Canadian Chambers of Commerce based in the region, Minister Ng announced funding of up to $1 million per year for Canadian chambers to support Canadian business expand, export and grow into the region. Minister Ng also met with Gan Kim Yong, Singapore Minister of Trade and Industry and Vivian Balakrishnan, Singapore Minister of Foreign Affairs. She spoke with both Ministers about strengthening the economic relationship between Canada and Singapore and increasing trade and investment ties in the region.

In her meeting with Minister Gan, the Ministers agreed to begin a dialogue on cooperation in the green economy, including with the private sector.

Also while in Singapore, Minister Ng had a productive virtual meeting with her Comprehensive and Progressive Agreement for Trans-Pacific Partnership counterparts where they reaffirmed their commitment to upholding the high standards of the agreement, and working on the UK accession process.

Source: Global Affairs Canada, 23 February, 2023

CanCham Bangladesh's 18th Annual General Meeting (AGM) held

President, Vice President, Treasurer, Board of Directors and Members of CanCham Bangladesh are seen in a group photo taken during the 18th AGM of CanCham Bangladesh held on 5th July, 2023

The 18th Annual General Meeting of Canada Bangladesh Chamber of Commerce and Industry (CanCham Bangladesh) was held on 5th July, 2023 at a local hotel in Gulshan, Dhaka.

Masud Rahman, President, CanCham Bangladesh chaired the meeting. Mohammad Kamal Uddin, Vice President; Mostafa Quamrus Sobhan, Treasurer and other directors and members of CanCham Bangladesh were present in the meeting.

A meeting with Randy Quinn, President, CanCham Singapore

Randy Quinn, President, CanCham Singapore and Mausd Rahman, President, CanCham Bangladesh are seen in the photo taken during a breakfast meeting in Singapore in June, 2023.

Masud Rahman, President of CanCham Bangladesh and Randy Quinn, President of CanCham Singapore met at a breakfast meeting in Singapore in June, 2023. They have discussed how both the chambers can cooperate with each other to strengthen bilateral trade and investment cooperation with Canada.

A meeting with Global Affairs Canada (GAC) and Canadian Chamber of Asia Pacific (CCAP)

A virtual meeting was arranged by Global Affairs Canada (GAC) and CCAP in May, 2023 for briefing and discussion on the trade and economic elements of Canada's Indo-Pacific Strategy. Mr. Christian DesRoches, Head of Global Affairs Canada (GAC)'s Indo-Pacific Strategy Secretariat and Mr. Nigel Neale, Director of GAC's Inclusive Trade, FTA Promotion and Trade Missions Division were present at the meeting. President Masud Rahman represented CanCham Bangladesh during the meeting.

Participation in a luncheon event on "Women in Tech" in Singapore

From the left Nagesh Devata, SVP GTM APAC, Payoneer; Marie-Claude Ferland, Associate Partner, AI Strategy Led EY; Caroline Bérubé, Managing Partner, HJM Asia Law & Co. LLC; Sarah Wazirzada Diversity Principal Asia-Pacific Google and Masud Rahman, President CanCham Bangladesh at a luncheon event on "Women in Tech" held in Singapore in April, 2023.

Masud Rahman, President, CanCham Bangladesh was invited by the former President of CanCham Singapore, Ms. Caroline Bérubé at a luncheon event on "Women in Tech", held in Singapore in April, 2023, which was organized by CanCham Singapore. There he met with Senator Victor Oh of Ontario, Canada who was the Chief Guest in the event. He also met with Senior Trade Commissioner, Ms. Brenda Wills of Canadian High Commission, Singapore; Nagesh Devata, Senior Vice President APAC Payoneer; Marie-Claude Ferland, Associate Partner, AI Strategy Lead EY; Caroline Bérubé, Managing Partner, HJM Asia Law & Co. LLC and Sarah Wazirzada, Diversity Principal Asia-Pacific Google.

A meeting with Canadian High Commissioner and Senior Trade Commissioner

A meeting between the high commission of Canada in Bangladesh and CanCham Bangladesh was held in May, 2023 at Gulshan, Dhaka.

H.E. Dr. Lilly Nicholls, High Commissioner of Canada in Bangladesh and Ms. Angela Dark, Senior Trade Commissioner, High Commission of Canada in Bangladesh attended the meeting. President Masud Rahman, Vice President Mohammad Kamal Uddin, Treasurer Mostafa Quamrus Sobhan, Directors: SM Khaled, GS Akand Masum, Md. Hasan and Executive Director (C.C.) Muin Sadick of CanCham Bangladesh were present at the meeting. The meeting discussed how to strengthen cooperation between CanCham Bangladesh and the High Commission of Canada for expanding and deepening bilateral trade and investment.

Meeting with Co-Chair of Canada-Bangladesh Joint Working Group (Canada side) and Commercial Programs Senior Advisor (North America) at Global Affairs Canada

A meeting was held in March, 2023 with Dr. Nuzhat-Tam-Zaman, Co-Chair of Canada-Bangladesh Joint Working Group (JWG)-Canada side, Mr. Michael Woof Commercial Programs Senior Advisor (North America) at Global Affairs Canada and Masud Rahman, President of CanCham Bangladesh regarding the discussion on Joint Working Group to strengthen bilateral commercial relations, diversify exports and enhance flow of investment between the two countries.

A meeting with Co-Chair of Joint Working Group Canada side Dr. Nuzhat Tam-Zaman

Dr. Nuzhat-Tam-Zaman, Co-Chair of Canada-Bangladesh Joint Working Group (JWG)-Canada side (center), Ms. Angela Dark, Senior Trade Commissioner, High Commission of Canada in Bangladesh (2nd from the right), Mohammad Mahfuzul Hoque, Secretary General, FBCCI (1st from the left), Masud Rahman, President, CanCham Bangladesh (2nd from the left) and Mohammad Kamal Uddin, Vice President, CanCham Bangladesh (1st from the right) at a meeting held in March 2023, in Dhaka.

Virtual Meeting with Canadian Trade Minister, Mary Ng and Canadian Chamber of Asia-Pacific (CCAP), Hong Kong

Members of the Canadian Chambers of Asia Pacific (CCAP) are seen in a virtual meeting for the discussion on Canadian Indo Pacific Strategy arranged by CCAP, Hong Kong in February, 2023.

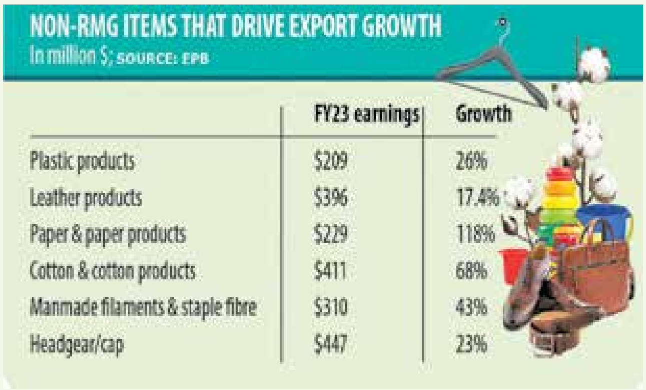
Canadian Chambers of Asia Pacific (CCAP), Hong Kong arranged a virtual meeting with Global Affairs Canada (GAC) and Trade Minister Ms. Marry NG in February, 2023. The meeting discussed further about the previously announced Annual Support for CanChams operating in Asia under the program of Canadian Indo Pacific Strategy. President Masud Rahman, represented CanCham Bangladesh and put forward a number of pertinent suggestions.

"Canada Bangladesh Bilateral Economic Cooperation: Need to Explore Diversification of Products", held at Chattogram jointly with Chittagong Chamber of Commerce & Industry (CCCI)

Chief Guest, H.E. Dr. Lilly Nicholls, High Commissioner of Canada to Bangladesh (center), Mahabubul Alam, President CCCI (2nd from left) and Masud Rahman, President, CanCham Bangladesh (1st from left) are seen at a joint event on "Canada Bangladesh Bilateral Economic Cooperation: Need to Explore Diversification of Products", arranged jointly by CCCI and CanCham Bangladesh in February, 2023 at Agrabad, Chattogram.

The Chittagong Chamber of Commerce & Industry (CCCI) jointly with CanCham Bangladesh organized an event on "Canada Bangladesh Bilateral Economic Cooperation: Need to Explore Diversification of Products," in February, 2023 at Agrabad, Chattogram. H.E. Dr. Lilly Nicholls, High Commissioner of Canada to Bangladesh was the Chief Guest in the event. The event was presided over by Mr. Mahbubul Alam, President of CCCI. Masud Rahman, President, CanCham Bangladesh, Ms. Angela Dark, Senior Trade Commissioner of High Commission of Canada in Bangladesh and some other members of CCCI and CanCham Bangladesh were present at the meeting.

Non-traditional products that are driving exports alongside RMG



NON-RMG ITEMS THAT DRIVE EXPORT GROWTH
In million $; SOURCE: EPB

	FY23 earnings	Growth
Plastic products	$209	26%
Leather products	$396	17.4%
Paper & paper products	$229	118%
Cotton & cotton products	$411	68%
Manmade filaments & staple fibre	$310	43%
Headgear/cap	$447	23%

Apart from garment items, some non-traditional products played a vital role in gaining export earnings for Bangladesh even amid the global economic slowdown in the previous fiscal year. In fiscal 2022-23, Bangladesh earned $55.55 billion from merchandise shipments, registering year-on-year growth of 6.67 per cent, according to data from the Export Promotion Bureau (EPB). And like previous years, the garment sector made the highest contribution by bringing in some $46.99 billion of that amount. However, some non-traditional items displayed strong performances as well. For instance, exports of cotton and cotton products, such as discarded yarn and fabrics, performed well in fiscal 2022-23 due to the high demand for garment items made from recycled materials. As such, exports of such goods witnessed phenomenal growth of 67.86 per cent year-on-year to reach $411.12 million from $244.92 million in fiscal 2021-22.

The demand for yarn and fabric waste has been growing worldwide as western clothing retailers and brands have started selling garment items made from recycled textiles. Recently, Swedish retail giant H&M said it aims to ensure that 24 per cent of its apparels from global sources, including Bangladesh, are made from recycled or sustainable materials by 2025. H&M plans to fully shift to recycled or sustainable products by 2030 as the company will abide by a due diligence law of the European Union for protecting the environment and human rights. Recycled or sustainable clothing is made from yarn and fabrics that were discarded during the garment manufacturing processes. The material is widely known as "jhoot" in Bangladesh. This means that no virgin cotton is used in the apparels, with the only exception being cotton grown using sustainable cultivation practices. Shipments of manmade filament yarn and staple fibre also increased by more than 42.98 per cent to $310.03 million in fiscal 2022-23 compared to $216.83 million the year prior, EPB data shows. Sources in the primary textile sector said local spinners recently started producing yarn and fabrics from manmade fibre considering the high demand. Besides, some of them are also exporting yarn made from manmade fibre alongside traditional garment items in order to meet the demand of international buyers. Similarly, shipments of the non-leather footwear increased to $478.86 million, up by 6.61 per cent year-on-year from $449.15 million in fiscal 2021-22. One of the most non-traditional export items is headgear, such as caps, shipments of which grew significantly by 22.71 per cent to $447.43 million, as per EPB data. Also, exports of paper and paper products grew by 118.33 per cent year-on-year to $229.47 million. Likewise, shipments of plastic products and cement, salt and stones registered positive growth.

AHM Ahsan, vice-chairman of the EPB, said that as usual, the garment sector accounted for more than 84 per cent of the country's exports last fiscal year. Some non-traditional sectors contributed a lot as well whereas a few promising sectors like leather and leather goods, jute and jute goods, and frozen food could not perform well. On the other hand, shipments of manmade yarn and fabrics, cotton waste, non-leather footwear, prayer caps, paper and paper goods performed well. This symbolises that diversification of exportable products is taking place, Ahsan added. Faruque Hassan, president of the Bangladesh Garment Manufacturers and Exporters Association, said increasing exports of cotton waste as well as yarn made from manmade fibre is a very positive sign for the country's export earnings. This is because the growth in exports of these items indicates that local entrepreneurs are investing in these sectors. "But we want more investment in those areas so we can be more competitive and efficient, and thereby ensure quality," Hassan added.

MA Razzaque, research director of the Policy Research Institute, said exports of manmade fibre and cotton waste may grow as many have invested in these sectors. However, exports of some very non-traditional items are mainly casual, and the survival rate of those products as regular export items is rare, Razzaque said, citing a finding in his own research. These extremely non-traditional export items are sometimes shipped on a test basis, he added. Razzaque also said that while the export market survivability of new non-traditional items is a challenge, the export opportunities of those products will expand as China is retreating from manufacturing them.

Source: The Daily Star, 5 July, 2023

Synthetic footwear exports on a roll

The shipment of synthetic footwear and sports shoes from Bangladesh grew 6.21 per cent year-on-year in July-May of the outgoing fiscal year thanks to shifting orders from China and the expanding capacity of manufacturers. The receipts built on a 30.39 per cent whopping shipment growth seen in the previous year when manufacturers brought home $449.15 million. This came although leather footwear exports from Bangladesh posted a declining trend in recent months owing to slower demand. Sales of leather footwear slipped 4.28 per cent in July-May owing to lower orders from Europe, the main market for Bangladesh, as the cost-of-living crisis persists in the continent because of the lingering energy crisis fuelled by Russia's war in Ukraine. In 2021-22, leather and non-leather footwear jointly generated $1.21 billion in export earnings, with the non-leather segment accounting for 37 per cent.

Bangladesh supplies synthetic shoes to international buyers and brands such as H&M, Puma, Decathlon, Fila, and Kappa. The main export destinations are Spain, France, the Netherlands, South Korea, India, Italy, and Germany. The products being sourced from Bangladesh include sandals, flip-flops, boots, jute-based espadrilles, rubber shoes, and sneakers. According to industry people, consumers across the world are switching to products made from jute, plastics, textile, and polyurethane leather on the back of their growing health consciousness. "Buyers are gradually shifting to Bangladesh from China as we have enhanced the quality of our products and offered competitive prices. This has given a boost to exports," said Riad Mahmud, managing director of Shoeniverse Footwear Ltd. "Besides, non-leather shoes are comparatively cheaper than leather ones. Non-leather shoes are also fashionable and comfortable." He said the capacity of manufacturers in Bangladesh is improving day by day, retaining existing buyers and attracting new ones.

Shoeniverse is a Leed (Leadership in Energy and Environmental Design) certified factory, which points to its high compliance standards. Currently, the factory produces 1.9 lakh pairs of shoes every day and expects to double the capacity by August. Its export earnings grew 35 per cent on average in the last four years. Mahmud says apart from the young generation, people from all walks of life use synthetic shoes for jogging and exercises, both indoors and outdoors. The synthetic shoe segment, he thinks, could be as big as the garment sector, the second largest in the world and the biggest export earner for Bangladesh. Mahmud's company supplies products to seven global brands in Europe and India. Another eight buyers are currently negotiating with the manufacturer to source sports shoes. Mohammad Shahadat Ullah, executive director of Maf Shoes, another synthetic footwear maker, says the sector is witnessing slower growth in the export market in the outgoing fiscal year compared to a year ago. Maf Shoes, a concern of TK Group which is a pioneer in the manufacturing of synthetic shoes in Bangladesh, has the capacity to produce 50,000 pairs of shoes a day. It exports more than 1.5 crore pairs of synthetic shoes per year.

Bangladesh has improved the quality and design of synthetic footwear by investing in technologies and its products meet international standards, said Dilip Kajuri, chief financial officer of Apex Footwear Limited. He, however, said the export scenario has changed from the second half of FY23 as orders have slowed amid persisting uncertainty in the western markets. He said his company had been doing good business with a French sporting goods retailer by supplying non-leather footwear items. The company has, however, stopped placing fresh orders as its distributors are not keen to take more products fearing inventories might pile up amid demand slowdown, he said. "On the other hand, our costs have increased significantly. We can't cover the cost of production with the price we are being offered." Exporters such as synthetic footwear manufacturers get a cash incentive of 4 per cent from the government on their export earnings. Shoeniverse's Mahmud suggests large corporates invest in the sector as it does not require a huge amount of funds to set up an export-oriented factory. "We also need to create skilled workers."

Source: The Daily Star, 21 June, 2023

Training for women in RMG to raise factory productivity

Most of the workers employed in the garment sector in Bangladesh are women. Photo: Star/file

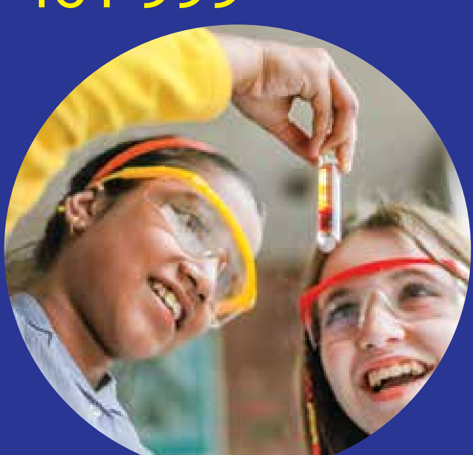
An IFC-ILO assessment finds

Training support for women in supervisory roles leads to higher productivity in the garment factories, a new assessment of the International Finance Corporation and International Labour Organisation shows. The impact assessment which was conducted by the University of Oxford and BRAC James P Grant School of Public Health on Better Work's Gender Equality and Returns (GEAR) programme funded by the European Union were presented in Dhaka today. The assessment was conducted across 27 garment factories in Dhaka and Chattogram and showcased strong impact of the GEAR programme, particularly in improving line efficiency and increased gender equality. GEAR partnered with Global apparel brands such as H&M, M&S, Levi's, Ralph Lauren, and VF Corporation to implement this programme in their supplier factories and helped ensure the high completion and promotion rates.

Over 600 female operators in 78 factories since 2016 with technical skills and skills required for supervisory roles, with nine out of ten participants completing the training programme and two-thirds being promoted as supervisors. At supervisory level, trainees are earning 40 per cent more than similar workers not selected as trainees, with potential for further promotions up the management ladder. "GEAR trainees proved to be more effective as supervisors, with the lines managed by them being 4 percent more efficient, a gap that grows with supervisory experience," said the lead researcher of the study, Professor Christopher Woodruff of development economics of the University of Oxford.

Sewing operators on GEAR-trainee managed lines were also reported to have higher levels of well-being and more satisfactory working environments because supervisors were showing a more cooperative and supportive management style, according to the study. "We are happy to celebrate the success of this programme, which is a first critical step to create upward career opportunities for women in garment factories where they represent about 80 per cent of the overall workforce," said Wagner Albuquerque de Almeida, IFC's global director for manufacturing' agribusiness and services. Having an adequately skilled labour force is critical to the continued growth of the industry, which needs to tap into the broadest possible talent pool, he said.

Source: The Daily Star, 13 June, 2023

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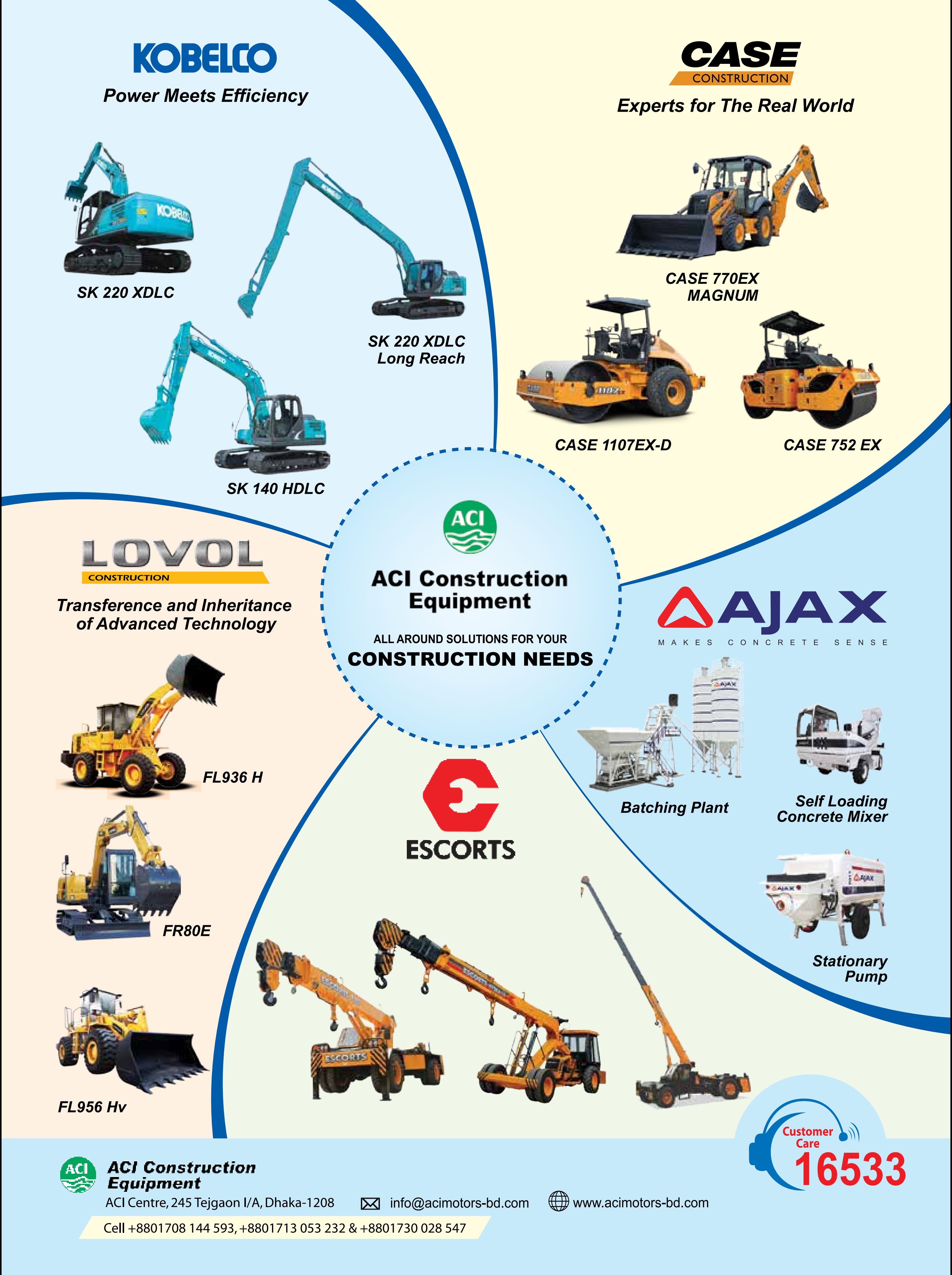
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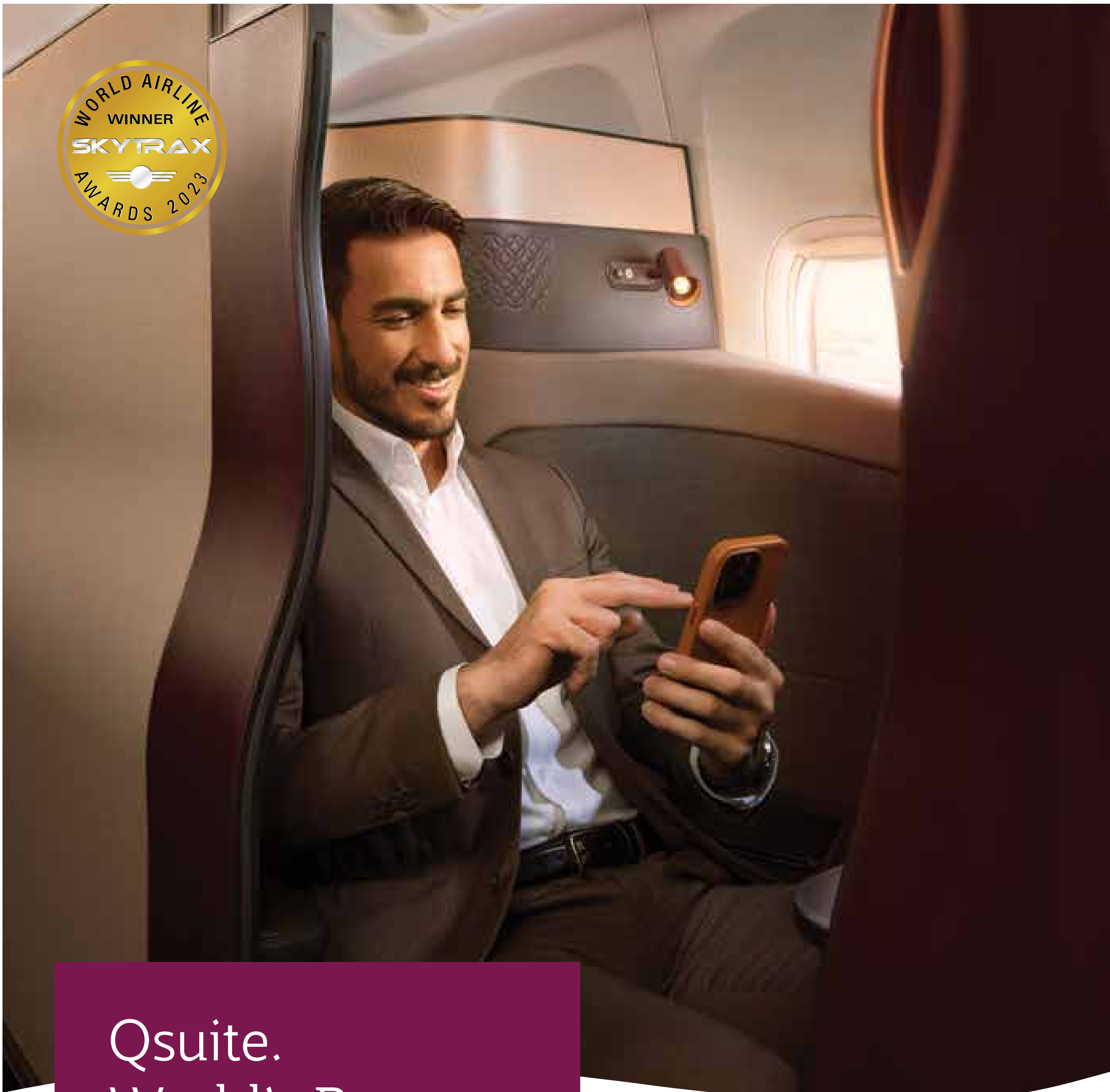
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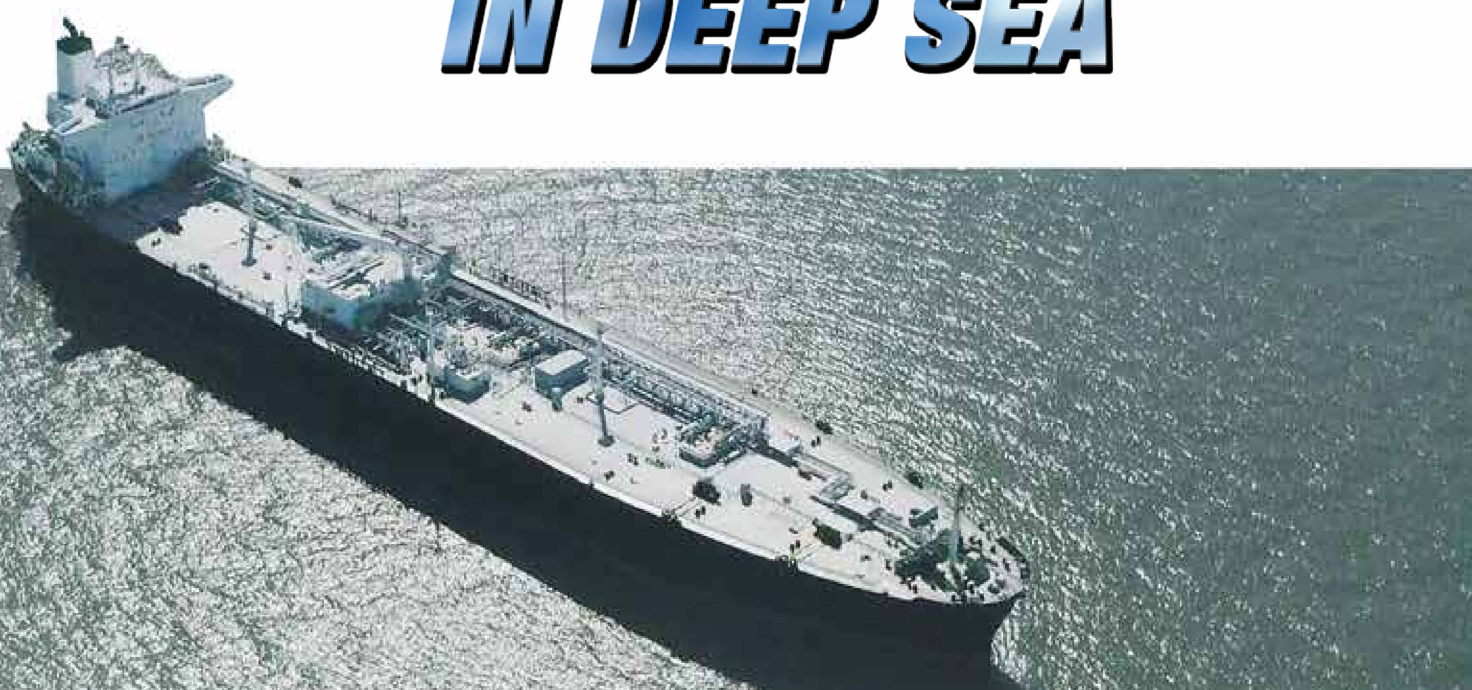

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